STATE OF UTAH

OFFICE OF THE ATTORNEY GENERAL



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SECRETARY, BOARD OF OIL, GAS & MINING

SEAN D. REYES ATTORNEY GENERAL

SPENCER E. AUSTIN Chief Criminal Deputy PARKER DOUGLAS Chief Federal Deputy & General Counsel TYLER R. GREEN Solicitor General MISSY W. LARSEN Chief of Staff BRIDGET K. ROMANO Chief Civil Deputy

July 19, 2016

Thomas N. Crowther 8160 S. Highland Drive Building A, Suite 210 Sandy, UT 84093

Re:

Division's Approval of Motion to Continue Hearing in Docket No. 2016-

016, Cause No. 222-17

Mr. Crowther:

On July 5, 2016 Patmos Energy, LLC (Patmos) filed a Motion to Continue Hearing in the above-referenced matter. Pursuant to our phone conversation on July 18, 2016, this letter confirms that the Division of Oil, Gas and Mining (the Division) does not oppose Patmos's Motion to Continue, on the condition that Patmos conducts the following work before the August 24, 2016 hearing before the Utah Board of Oil, Gas and Mining (the Board):

- 1. Patmos will plug and abandon the Penta Creek 23-7 well according to the plugging procedures approved by the Division in November 2014;
- 2. Patmos will submit a Notice of Intent to Plug and Abandon the CBM State 22-14 well and, after obtaining Division approval of plugging plans, will plug and abandon the CBM State 22-14 well;

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3. Patmos will complete surface reclamation required for the Penta Creek 23-7 and

CBM State 22-14 wells; and

4. Patmos will address the surface issues of the CBM 1 well.

As agreed to during our phone conversation, the Division will provide you with a list of contractors that Patmos can contact to complete the work described above. The Division will also summarize the outstanding issues that exist with respect to all three Patmos wells—the Penta Creek 23-7, CBM State 22-14, and CBM I wells—that will assist Patmos in understanding the surface reclamation work that needs to be completed on each well.

In all, because Patmos has agreed to conduct the work listed above, the Division does not object to your Motion to Continue Hearing in Docket No. 2016-016, Cause No. 222-17, until the Board's next regularly scheduled hearing on August 24, 2016.

Sincerely,

Melissa L. Reynolds

Attorney for Utah Division of Oil, Gas and Mining